

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6011

BILL NUMBER: HB 1029

DATE PREPARED: Oct 12, 2000

BILL AMENDED:

SUBJECT: Fireworks for sale at wholesale.

FISCAL ANALYST: Beverly Holloway

PHONE NUMBER: 232-9851

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: This bill specifies that all sales of fireworks not approved for sale in Indiana must be made at wholesale.

Effective Date: Upon passage.

Explanation of State Expenditures: A minimal state expense would occur for printing new signs to be provided to and posted by the resident wholesalers to indicate the new limitation on the sale of certain fireworks. The additional cost can be absorbed within the existing budget of the State Fire Marshal's Office.

Expenses of the State Fire Marshal's Office are paid from the Fire and Building Services Fund. This Fund receives revenue from fire insurance premium taxes and fees collected under IC 22-12-6. The Fund covers expenses for personal services, other operating expense, and capital outlays of the Department of Fire and Building Services, the Board of Firefighting Personnel Standards and Education, the Boiler and Pressure Vessel Rules Board, and the Fire Prevention and Building Safety Commission.

Explanation of State Revenues: *Relevant data:* Fireworks permits are issued by the State Fire Marshal's Office. Permit fees are \$1,000 each. As of July 31, 2000, 163 such permits have been issued, generating a net revenue of \$163,000, which was deposited into the Fire and Building Services Fund.

Analysis: This bill places restrictions on the sale of certain fireworks which could reduce the gross sale of common fireworks. A reduction in such sales would have an indeterminable fiscal impact on the income and sales taxes collected from resident wholesalers, manufacturers, importers, or distributors, thereby reducing state revenue. Income and Sale taxes are deposited in the General Fund and the Property Tax Replacement Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Fire Marshal's Office.

Local Agencies Affected:

Information Sources: Mara Snyder, State Fire Marshal's Office, (317) 233-5341.